COMMONWEALTH OF KENTUCKY BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

| THE APPLICATION OF NORTHERN KENTUCKY |) | |
|--|---|-----------|
| WATER DISTRICT FOR A CERTIFICATE OF |) | |
| CONVENIENCE AND NECESSITY FOR THE |) | CASE NO. |
| CONSTRUCTION OF A 24-INCH WATER MAIN |) | 2001- 412 |
| FROM THE FT. THOMAS TREATMENT PLANT TO |) | |
| U.S. 27, PHASE I |) | |

ORDER

By application filed November 26, 2001, Northern Kentucky Water District (Northern Kentucky District) has applied for a Certificate of Public Convenience and Necessity to construct an \$804,848 waterworks improvement project. Having reviewed the application and being otherwise sufficiently advised, the Commission finds:

- 1. The proposed waterworks improvement project (Phase I) involves the construction of 5,650 linear feet of 24-inch ductile iron water main along U.S. 27 from the pump station at the Ft. Thomas Treatment Plant to Three Mile Road, Ft. Thomas, Campbell County, Kentucky.
- 2. The proposed waterworks improvement project will not compete with any other water utility in the area.
- 3. The proposed project is necessary to meet current water demands as identified in Northern Kentucky District's Water Distribution System Master Plan. The construction of the proposed waterworks improvement project will not result in the wasteful duplication of any existing utility facilities. It is in the public interest and is required to allow Northern Kentucky District to continue to provide adequate service to its customers.

- 4. Viox & Viox, Inc., Consulting Engineers and Surveyors, of Erlanger, Kentucky prepared the drawings and specifications for the proposed waterworks improvement project.
- 5. The Division of Water of the Kentucky Natural Resources and Environmental Protection Cabinet has approved the drawings and specifications for the proposed waterworks improvement project.
- 6. Estimated total cost of the proposed waterworks improvement project is \$804,848.
- 7. Northern Kentucky District proposes to finance the proposed waterworks project through the 2001 Bond Anticipation Note, which will be converted to a long-term bond at some future date.
- 8. Public convenience and necessity require construction of the proposed waterworks improvement project.

IT IS THEREFORE ORDERED that:

- 1. Northern Kentucky District is granted a Certificate of Public Convenience and Necessity to construct the proposed waterworks improvement project as set forth in the drawings and specifications contained in its application.
- 2. Northern Kentucky District shall obtain approval from the Commission prior to performing any additional construction not expressly authorized by this Order.
- 3. Any deviation from the construction approved shall be undertaken only with the prior approval of the Commission.
- 4. Northern Kentucky District shall furnish documentation of the total costs of this project including the cost of construction and all other capitalized costs (engineering, legal, administrative, etc.) within 60 days of the date that construction is substantially completed. Construction costs shall be classified into appropriate plant accounts in

accordance with the Uniform System of Accounts for water utilities prescribed by the

Commission.

5. Northern Kentucky District should require construction to be inspected under

the general supervision of a professional engineer with a Kentucky licensure, competent to

practice civil or mechanical engineering to ensure that the construction work is done in

accordance with the contract drawings and specifications and in conformance with the best

practices of the construction trades involved in the project

6. Northern Kentucky District shall file a copy of the "as-built" drawings and a

certified statement that the construction has been satisfactorily completed in accordance

with the contract plans and specifications within 60 days of the substantial completion of

the construction certificated herein.

Done at Frankfort, Kentucky, this 4th day of January, 2002.

By the Commission

ATTEST:

Executive Director